

# Legislators quietly advancing health care initiatives

By MIKE DENNISON - IR State Bureau - 04/01/07

HELENA — While the Legislature stewes over the state budget, a handful of lawmakers is quietly taking on one of the state's biggest problems: The thousands of Montanans without health insurance or decent access to health care.

And with four weeks remaining until the 2007 session comes to a close, these health-care warriors are confident the Legislature will take a good whack at the problem.

"They will do more than any other Legislature," Rep. Bill Jones, R-Bigfork, predicts of his colleagues at the Capitol.

Jones, a dentist, is sponsoring several bills to expand health coverage and care for children, and two of them appear likely to pass and become law.

Lawmakers also are hopeful the Legislature will expand eligibility for the Children's Health Insurance Plan (CHIP), which already covers 13,000 low-income kids; help hundreds of low-income health care workers get coverage; and help fund at least one new health clinic that provides care to people with little or no health insurance.

And finally, Republicans are pushing a new tax credit they say will help lower-income individuals afford health insurance.

"The idea is to get people with no insurance onto something," says Rep. Gary MacLaren, R-Victor, who's sponsoring one of the tax-credit bills.

About 170,000 Montanans, or 18 percent of the population, are without health insurance — one of the highest rates in the country. Some who have health insurance still have trouble affording it or paying for health care, because of high "deductibles" on their policy.

One key decision in the closing weeks will be funding for CHIP, which uses state and federal dollars to buy health insurance for kids whose families don't qualify for any other program. The federal government pays 80 percent of the cost, and the U.S. Senate last week endorsed a proposal from U.S. Sen. Max Baucus, D-Mont., to increase federal funding for CHIP.

Families eligible for CHIP in Montana can earn up to 150 percent of the federal poverty level, or \$25,755 for a family of three.

Rep. Mary Caferro, D-Helena, is among those pushing to increase the CHIP income eligibility ceiling to 200 percent of the poverty level, or \$34,340 for a family of three.

Montana's current CHIP ceiling is the second-lowest of any state and many states have a 200 percent ceiling, she says.

Caferro says expanding CHIP is a no-brainer, because it leverages federal dollars and helps keep kids healthy. She hopes the obvious benefits of CHIP will trump philosophical objections to expanded government-funded coverage.

"I believe in the end we will have a CHIP expansion and I believe that expansion will be 200 percent (of the poverty level)," she says. "People will come to their senses. We all need to relax and calm down."

Caferro also is carrying a bill putting more children on Medicaid, another state-federal program that pays medical bills for the poor, and thus possibly create even more slots under CHIP. Together, the two proposals

could provide health coverage for at least 6,000 additional children, and probably more.

Jones says his bills focus on providing preventive and diagnostic care to low-income children, to avoid more costly health problems down the line.

“The best approach is to make sure, if it’s mental health or dental or anything else, to get them at an early age before there is a big problem and a real big expense,” he says. “The reason I’m here, the reason I ran is so that for children, we can have them well-educated and healthy.”

Jones has a bill to increase dental coverage for kids in CHIP and mandate that health-care policies sold in Montana cover “well-child” care like immunization for kids up to age 7. Current law requires the coverage for kids up to 2 years old.

Jones says some of his Republican colleagues may object to mandating health coverage, but that requiring and expanding preventative care is a policy choice the government should make.

“Mandates are often an act of kindness,” he says.

Lawmakers also hope they can pass something to help Montana adults without health coverage.

One of these proposals is a pilot program using Medicaid money to buy health insurance for health-care workers on the low end of the pay scale.

The program is aimed at “home health care” workers, who visit and assist the disabled and the elderly in their homes. Many of these workers are middle-aged women getting paid \$9 to \$10 an hour, who either can’t afford health insurance or whose employers don’t offer it, says Mike Hanshew, policy director for Montana Health Solutions.

Many of these employers get at least 90 percent of their funding through Medicaid, Hanshew says. A bill sponsored by Sen. John Cobb, R-Augusta, creates a pilot program to increase Medicaid payments to these companies only if the money is used to provide health insurance to their workers.

Hanshew says it would cost the state \$2.9 million and provide insurance for about 1,700 people. The proposal also will help bolster the workforce in this hard-to-hire area, he says.

Last but not least are Republican proposals to offer new tax credits for individuals who buy their own health insurance.

The House deadlocked last month on an insurance tax-credit bill from House Majority Leader Michael Lange, R-Billings, but will get a second look at a similar concept with MacLaren’s bill.

MacLaren’s proposal would create an income-tax credit worth 50 percent of the health insurance premiums paid, and be available only to people earning up to 150 percent of the federal poverty level.

The tax credit also is “refundable,” which means the government will cover the full amount even if one’s full tax bill is less than the credit.

The sticking point here may be the cost, which is estimated to be as much as \$25 million over the next two years. The bill is one of the more expensive proposals competing to spend a share of the state’s \$1 billion surplus. In the Legislature’s closing days, it may be part of the budget debate — as well some of the other health-care proposals.

### **Status of key health care proposals**

HELENA — Several proposals are pending in the Legislature to expand health insurance and health care for those without it. Below is a summary and status of those proposals:

— Expansion of publicly funded coverage for low- and moderate-income kids: Senate Bill 22, sponsored by Sen. Dan Weinberg, D-Whitefish, expands eligibility for the Children's Health Insurance Plan (CHIP). The expansion is expected to cover at least 2,000 additional children.

It raises the income ceiling for families eligible for the program from 150 percent of the federal poverty level to 175 percent, or about \$35,000 for a family of four.

SB22 passed the Senate last month and has a hearing Monday morning in the House Appropriations Committee.

Another key bill in this area is House Bill 577, sponsored by Rep. Mary Caferro, D-Helena. The measure allows more children from ages 7 to 19 to be covered by Medicaid, the state-federal program that pays medical bills for the poor. Caferro says as many as 4,000 children could move onto Medicaid if her bill passes.

She also says the new Medicaid slots created by HB577 likely will create vacancies in CHIP, thus offering insurance for even more children. The bill has passed the House and won preliminary endorsement from the Senate on Saturday, but faces further review by the Senate Finance and Claims Committee.

— Expansion of "well-child" care coverage: HB687, sponsored by Rep. Bill Jones, R-Bigfork, mandates that health insurance policies in Montana must cover "well child" care, such as immunizations and routine check-ups, until children are 7 years old. Current state law mandates such coverage only until age two.

The bill has passed the House and awaits action in the Senate Public Health Committee.

— Expansion of dental care for low-income kids: Jones sponsored two bills in this area; one has been approved and the other appears dead. HB198, which expands dental coverage in CHIP, has passed the Legislature and is on its way to the governor for his signature. HB394 would have appropriated \$150,000 to start a dental-care program for kids not covered by CHIP or Medicaid. It was tabled Friday in the House Appropriations Committee.

"We have children going to sleep at night hurting, with infections and teeth hurting," Jones says.

— Community health clinics: HB406, sponsored by Rep. Edith Clark, R-Sweetgrass, contains \$1.3 million to help start or expand community health clinics, which provide medical and dental care primary for people with little or no health insurance. It has passed the House and is on its way to the Senate.

— Insurance for low-income health workers: SB206, sponsored by Sen. John Cobb, R-Augusta, sets up a pilot program that would use \$3 million of state Medicaid funds to finance health insurance for 1,700 people who work as home health-care aides. It has passed the Senate and been endorsed by the House, but is awaiting further review in the House Appropriations Committee, where it will be heard Tuesday.

— Health-insurance tax credits: HB801, sponsored by Rep. Gary MacLaren, R-Victor, offers a state income-tax credit for individuals who buy their own health insurance. A taxpayer is eligible for the credit if their household income is no more than 150 percent of the federal poverty level, or \$30,000 for a family of four.

The credit is worth one-half of the insurance premiums paid in a year and is "refundable," which means a taxpayer can get the full credit even if it's more than their total tax bill. For example, if the credit is worth \$1,000 and a person's annual tax bill is \$500, the state will pay them \$500.

HB801 is waiting to be scheduled for debate on the House floor.